New Mexico Agricultural Statistics Service

Weekly Ag Update

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INCLUDED IN THIS ISSUE

Crop Weather ERS

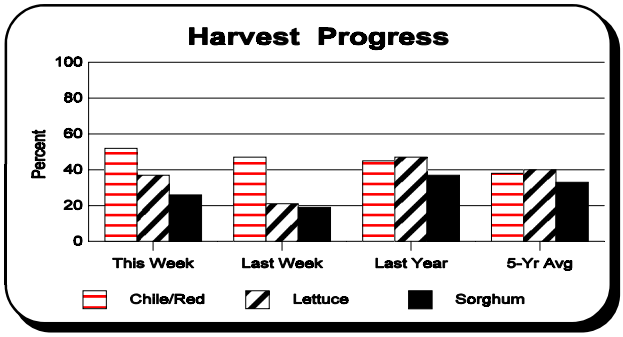
2001 Agricultural Statistics Bulletin now at: www.nass.usda.gov/nm

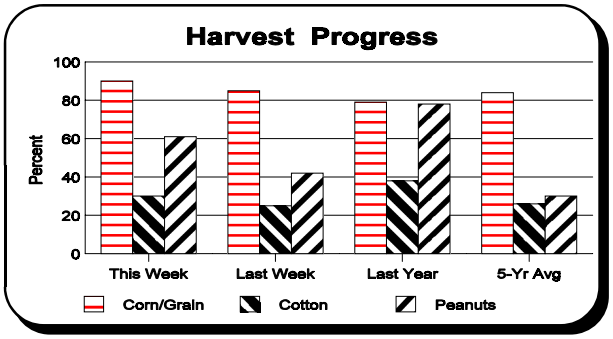
CROP SUMMARY FOR THE WEEK ENDING OCTOBER 27, 2002

NEW MEXICO: There were 4.9 days suitable for field work. Freeze damage was 20% light and 24% moderate. Farmers spent the week harvesting their crops where conditions permitted. Cotton is listed as mostly fair to excellent with 30% of the crop harvested. Hail damage associated with recent storms has left many cotton fields severely damaged. Irrigated sorghum is reported as fair to good with 96% mature and 35% harvested. Dryland sorghum is in very poor to fair condition, with 70% of the crop mature and 20% harvested. The fall onion planting is 88% complete and the crop is listed in fair to excellent condition. Corn for grain is 90% harvested, red chile harvest has slowed to 52% complete, peanuts are 61% harvested, and lettuce is 37% harvested. Alfalfa conditions declined last week, with reports of cut hay being rained on and wilting due to freezing temperatures. Conditions are reported as 16% very poor, 16% poor, 40% fair, 22% good, and 6% excellent. The 6th cutting is 90% complete and the 7th is 65% complete. Ranchers spent the week moving livestock to winter pastures and marketing their calves and lambs. Livestock conditions have improved with cattle listed as 8% very poor, 19% poor, 31% fair, 40% good, and 2% excellent. Sheep are listed as 15% very poor, 34% poor, 28% fair, 22% good, and 1% excellent. Pasture and range conditions have been helped by the rains and are listed as 24% very poor, 41% poor, 28% fair, 6% good, and 1% excellent.

CROP PROGRESS PERCENTAGES WITH COMPARISONS

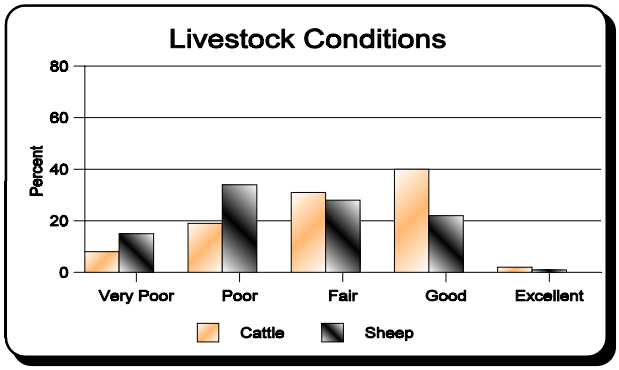
CROP PROGRESS		This Week	Last Week	Last Year	5-Year Average
CHILE	Harvested-Red	52	47	45	38
CORN	Harvested-Grain	90	85	79	84
COTTON	Harvested	30	25	38	26
LETTUCE	Harvested	37	21	47	40
ONIONS	Planted	88	80	87	89
PEANUTS	Harvested	61	42	78	30
SORGHUM	Mature	80	71	92	90
	Harvested	26	19	37	33





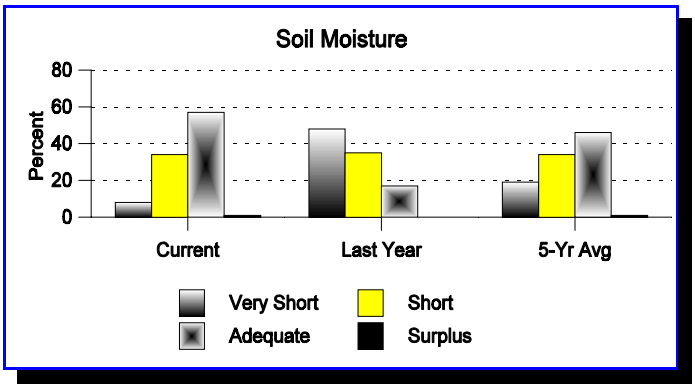
CROP AND LIVESTOCK CONDITION PERCENTAGES

	Very Poor	Poor	Fair	Good	Excellent
Alfalfa	16	16	40	22	6
Cotton	3	2	32	47	16
Lettuce	–	–	15	30	55
Onions	–	–	12	53	35
Pecans	–	–	33	26	41
Sorghum (All)	21	21	40	18	--
Wheat (All)	2	8	30	58	2
Cattle	8	19	31	40	2
Sheep	15	34	28	22	1



SOIL MOISTURE PERCENTAGES

	Very Short	Short	Adequate	Surplus
Northwest	8	26	66	--
Northeast	3	37	60	--
Southwest	2	40	50	8
Southeast	19	34	47	--
State	8	34	57	1
State-Last Year	48	35	17	--
State-5-Yr Avg.	19	34	46	1



WEATHER SUMMARY

Several minor storm systems brushed New Mexico early in the week, and a stronger system affected nearly the entire state toward the end of the week. Every reporting station measured precipitation during the week, with Roy, Des Moines, Raton, Las Vegas, Los Alamos, Santa Fe, Clovis, Carrizozo, Tatum, and Carlsbad all collecting over an inch. Clouds and precipitation held temperatures down a bit, and the statewide average was two degrees below normal.

NEW MEXICO WEATHER CONDITIONS OCTOBER 21-27, 2002

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	10/21 10/27	10/01 10/27	Normal Oct	01/01 10/27	Normal Jan-Oct
Carlsbad	57.8	74	47	1.52	2.20	1.05	11.46	11.79
Hobbs	51.9	77	39	1.04	1.82	1.49	14.47	15.02
Roswell	53.4	74	44	1.66	2.09	1.19	12.91	11.83
Clayton	45.6	67	30	0.36	0.81	0.90	8.16	14.28
Clovis	50.8	75	37	1.21	1.50	1.34	12.22	16.24
Roy	47.9	70	30	1.90	1.90	1.05	15.93	14.79
Tucumcari	50.6	75	34	0.61	0.71	0.94	13.27	13.39
Chama	37.8	60	20	0.88	1.28	1.96	9.35	18.09
Johnson Ranch	44.5	64	28	0.62	0.94	1.11	6.97	10.16
Capulin	44.1	63	28	1.36	1.36	0.97	11.09	16.27
Las Vegas	44.6	65	30	1.33	1.72	0.97	9.74	15.82
Los Alamos	44.0	56	34	1.02	1.61	1.32	9.46	16.62
Raton	44.6	64	28	1.04	1.07	0.97	9.83	15.61
Santa Fe	46.0	67	29	1.36	1.47	1.04	8.40	12.58
Red River	36.6	54	21	0.98	1.30	1.46	16.75	18.15
Farmington	48.4	67	32	0.70	1.17	0.85	4.85	7.18
Gallup	46.1	60	29	0.55	1.77	1.29	9.51	10.96
Grants	45.5	62	28	0.61	1.07	1.05	8.08	9.56
Silver City	51.4	66	35	0.11	1.13	1.16	7.66	14.02
Quemado	45.6	64	23	0.20	0.70	1.18	12.03	12.59
Albuquerque	53.9	68	40	0.38	0.43	0.89	5.41	7.95
Carrizozo	52.4	69	33	1.28	1.51	1.19	10.45	11.31
Gran Quivera	48.8	65	31	0.30	0.30	1.27	9.70	14.01
Moriarty	44.9	67	25	0.59	0.67	1.10	5.89	11.77
Ruidoso	47.0	62	29	0.94	1.34	1.31	14.71	18.84
Socorro	52.9	72	34	0.43	0.48	1.11	8.73	8.48
Alamogordo	59.3	73	41	0.76	1.90	1.30	7.77	11.21
Animas	60.4	75	41	0.03	2.01	1.15	5.78	9.91
Deming	58.0	74	37	0.81	1.76	0.98	7.86	9.09
T or C	56.3	72	39	0.38	0.95	0.95	6.17	8.62
Las Cruces	59.5	77	38	0.36	1.12	0.91	5.91	8.19

(T) Trace (-) No Report (*) Correction

All reports based on preliminary data. Precipitation data corrected monthly from official observation forms.

FARM NUMBERS
Agricultural Outlook USDA, ERS, October 2002

LARGEST GROWING FASTEST

Declining farm numbers, increasing farm size, and concentration of production have captured the attention of the media, the general public, and policymakers for decades. While the number of farms peaked in 1935, then began declining, average farm size grew as consolidation occurred. A smaller share of farms accounts for a growing proportion of agricultural production, but the proportion of the smallest farms (sales less than 10,000) is also growing.

Estimates of the number of farms and total farm acreage are available back to the 1850 Census of Agriculture, and the distribution of farms by acreage class is available back to 1880. But farm acreage measures land use, with no indication of the value of what is produced. The level of sales of farm products is arguably a better measure of farm size, since it unambiguously measures economic activity in dollars. Sales class as well as acreage should be considered when analyzing trends in farm size.

After peaking at nearly 7 million in 1935, the number of farms dropped dramatically and the decline has continued. Most of the decline occurred during the 1940s, 1950s, and 1960s. This drop in farm numbers continues, but at a slower pace. By 1997, 1.9 million farms remained. Because the amount of farmland decreased to a lesser extent than the number of farms, average acres per farm is larger.

Farms with fewer than 50 acres and farms with more than 500 acres have both increased their share of total farms since 1974, but mid-sized farms' share has declined. These changes reflect different trends by acreage class.

The number of farms with at least 500 acres increased steadily from 1880 through the 1960s, before stabilizing at 350,000-370,000 farms.

Farms with 1-49 acres declined from a maximum of 2.7 million in 1935 to about half a million in 1974, but since 1974 the count has ranged from 540,000 to 640,000.

The number of farms with 50-499 acres declined continuously from 3.9 million in 1935 to about 1 million farms in 1997. Nevertheless, mid-sized farms still accounted for about half (52 percent) of all farms in 1997.

Between 1982 and 1997, large farms those with sales of at least $250,000) steadily increased their numbers.

Large farms grew from 104,000 in 1982 to 157,000 by 1997.

The share of large farms also grew, from 5 to 8 percent of all farms.

Most farms in the large farm group had sales of $250,000-$499,999, but the number grew more rapidly among those with sales of $500,000 or more.

The number of farms in all other sales classes declined in each inter-Census period, with the exception of farms in the subgroup selling less than $10,000 in farm products annually.

Farms in the under-$10,000 sales class declined in number from 1982 to 1992 but rose by 9 percent from 1992 to 1997—and account for half of all U.S. farms.

In addition to the shift in number of farms in the various sales classes, marked shifts occurred in the distribution of total sales among farm sales classes.

The share of all sales accounted for by large farms increased steadily from 51 percent in 1982 to 72 percent in 1997.

The largest gains in share occurred in the classes with sales of $1 million-$4.9 million (1.2 percent of farms in 1997), and $5 million or more (0.1 percent of farms); each of these two highest sales categories now accounts for about one-fifth of agricultural sales.

Farms with sales of at least $5 million specialized in relatively few commodities in 1997: high-value crops (vegetables and melons, fruits and tree nuts, and horticultural specialties), 34 percent; cattle feedlots, 20 percent; poultry and eggs, 16 percent;and dairy, 9 percent.

Farms with sales of $1 million-$4.9 million tended to specialize in a wider variety of commodities in 1997: high-value crops, 21 percent; poultry and eggs, 20 percent; dairy, 12 percent; hogs, 11 percent; cash grains, 10 percent; and field crops other than cash grains, 11 percent.

THE ISSUE OF CONCENTRATION

Acreage-class and sales-class data show a trend toward bigger farms—operating at least 500 acres or selling at least $250,000 in farm products. Compared with acreage-class data, the sales class datacapture less of an increase in smaller farms, after making the adjustment in 1992 to include CRP/WRP point farms.

Changes in the distribution of sales volume by size of farm, however, were actually more dramatic than changes in the distribution of farm numbers. In discussions of farm structure, the growing share of production on fewer farms and fewer acres is referred to as concentration.

Concentration has been in progress for at least a century. In 1900, 17 percent of U.S. farms accounted for 50 percent of farm sales. By 1997, 2 percent of farms generated half of the agricultural sales. This 2 percent includes all farms with sales above $1 million, plus nearly half (47 percent) of farms with sales of $500,000-$999,999. On the other hand, the 17-percent figure 1900 also indicates that some concentration existed a century ago, since production was not evenly distributed across all farms.

In most industries, concentration is not considered a policy issue until a very small number of firms—such as two to four—dominates the industry. The 2 percent of U.S. farms accounting for half of agricultural sales includes 46,100 farm operations, far many for any individual farmer to hold much market power. Although for some commodities the level of concentration is higher than for farms overall, agriculture as a sector is not highly concentrated compared with other industries.

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COTTON AND WOOL OUTLOOK

USDA, ERS, October 2002

According to USDA's October Crop Production report, the 2002 U.S. cotton crop is forecast at 18.1million bales, down marginally (64,000 bales) from last month's projection. Upland production is forecast at 17.4 million bales—11 percent below 2001/02—while the extra-long staple (ELS) crop is projected at 635,000 bales—9 percent below last season's record.

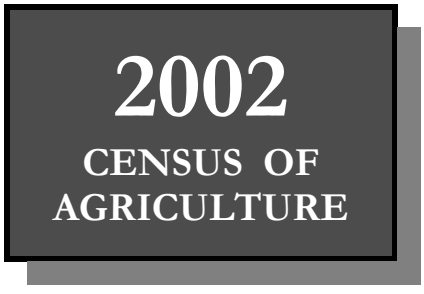
Over the last 20 years, the October forecast has been above final cotton production 7 times while below the final estimate 13 times. In addition, past differences between the October forecast and the final production estimate indicate that chances are two out of three for the 2002 U.S. cotton crop to range between 17.3 and 18.8 million bales.

Compared with last month, reductions in the Southeast cotton crop more than offset additional production in the other three regions. Production in the Southeast is currently forecast at 4.2 million bales, the lowest in 3 years as a result of weather problems. While the Southeast crop was 12 percent lower in October, the upland crop in the Delta, Southwest, and West regions were each 4 percent higher. The Delta is forecast at 5.8 million bales, the Southwest at 5.2 million, and the West at 2.1 million. Higher yields have accounted for the increases. However, the National Agricultural Statistics Service indicated that the affects on the Delta region from Hurricane Lili have not been reflected in these estimates.

Total cotton harvested area is estimated at 12.9 million acres, or an abandonment rate of about 11 percent. Based on this harvested area, the national yield is estimated at 674 pounds per harvested acre, compared with 705 pounds in 2001.

Despite recent declines, overall U.S. cotton crop conditions remain well above those of a year ago. As of October 6th, 50 percent of the cotton acreage was in "good" or "excellent" condition, compared with 44 percent in 2001. In contrast, 20 percent was rated "poor" or "very poor" this season, compared with 26 percent last year. While crop conditions are generally better than last season, cotton harvesting has fallen behind both last season and the 5-year average.

As of October 6th, 24 percent of the U.S. crop had been harvested, compared with 29 percent last season and the 5-year average of 32 percent. Notable differences have occurred mainly in the Delta States where recent wet weather has limited harvest activity. Similarly, 2002 ginnings have trailed previous years. Prior to October 1, 2002, only 1.6 million bales had been ginned, compared with 2.1 million in 2001 and 3.3 million in 2000.



THE CENSUS OF AGRICULTURE IS COMING